

MINUTES

**MONTANA SENATE
56th LEGISLATURE - REGULAR SESSION
COMMITTEE ON STATE ADMINISTRATION**

Call to Order: By **CHAIRMAN MACK COLE**, on January 26, 1999 at 10:00 A.M., in Room 331 Capitol.

ROLL CALL

Members Present:

Sen. Mack Cole, Chairman (R)
Sen. Don Hargrove, Vice Chairman (R)
Sen. Jon Tester (D)
Sen. Jack Wells (R)
Sen. Bill Wilson (D)

Members Excused: None.

Members Absent: None.

Staff Present: Keri Burkhardt, Committee Secretary
David Niss, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 228, 1/18/1999
Executive Action: None.

Sponsor: SEN. BILL GLASER, SD 8, HUNTLEY

Proponents: Mike Cooney, Secretary of State
Madalyn Quinlan, Chief of Staff, Office of Public Instruction
Don Waldron, Montana Rural Education Association,
County Superintendents Association
Lance Melton, General Council, Montana School Boards Association
Robert Throssell, Montana Association of Clerks and Recorders
Mike Atkins, Attorney, Department of Revenue

**Joe Kerwin, Deputy, Elections and Legislative
Bureau, Secretary of State
Angela Fultz, Chief Deputy, Secretary of State**

Opponents: None

{Tape : 1; Side : A; Approx. Time: 10:08}

Opening Statement by Sponsor: SEN. BILL GLASER, SD 8, Huntley, advised that this bill was drafted because of the voter's approval of CI-75. He pointed out that the Constitution is amended by CI-75 and asked the committee to pay special attention to the timing of local tax elections. He explained that the bill sets the time for tax elections, arranges events in the election cycle around the tax election, provides for mail ballots, and provides for sharing costs for elections. He advised that this bill covers everything from school elections to state elections. The bill also includes the "super" election. He asked the committee to keep CI-75 and **SB 195** in mind when acting on this bill. He further explained that the date for the general election is set but the local primary election has some flexibility and is currently set at the 1st Tuesday after the 1st Monday in March. He advised that the responsibility of the committee is to make a decision on a date for the local primary election that accommodates for deadlines of various parties and other elections. He explained that he is leaving the option for a contingent provision open for the committee members to decide. He also explained that he is trying to move as many elections as possible to the same day, so that the voters don't become frustrated.

{Tape : 1; Side : A; Approx. Time: 10:18}

Proponents' Testimony: Mike Cooney, Secretary of State. He proposed that corrections need to be made in the bill. First, the committee must decide when to hold or consolidate elections. As the bill currently stands, the November elections will remain as they are but the primaries and April elections will be moved to March. The March election dates are not consistent. The state primary election held in even number years and the school elections will be on a Tuesday, while the municipal primaries and political subdivisions holding annual elections, will be on a Friday. He suggested that the election dates are decided first. Followed by the decision of other deadlines. He reiterated that each taxing jurisdiction shall bear its share of the cost for any tax election.

{Tape : 1; Side : A; Approx. Time: 10:24}

Madalyn Quinlan, Chief of Staff, Office of Public Instruction.

She addressed the sections in the bill that effect schools and handed out a school district budget adoption calendar of important dates **EXHIBIT(sts20a01)**. The sections that effect schools are Sections 67-72, election dates and administration of elections, Section 103, General Fund budget and ballot language, Section 109, county transportation routes, and Section 117, setting the date for trustee elections on the 1st Tuesday after the 1st Monday in March. First, she explained that, under CI-75, in order to decide whether a tax election is needed, the amount of total taxes levied other than the debt service is calculated. Then the figures are evaluated to decide whether there is a tax increase. Section 103, assumes that school districts will be voting on tax increases for the General Fund budget separately from the tax increases in the other funds. She believes that all of the budgeted funds of the district should be combined to evaluate whether there is a tax increase. Second, the date set for the trustee election and the election of General Fund budget authority is set for the 1st Tuesday. Another election would be held within 2 weeks of that date to accept a tax increase to fund the approved budget. She added that the separate elections will be confusing to voters. She also addressed the issue of who would administer the election. Under the bill, the school clerk would be the administer of the trustee election for the school district and budget authority. Then the county election administrator becomes the administrator for the tax increase. She approved of the separate election administrators. Finally, She said Section 109 is unnecessary, voters should only vote on taxes not on bus routes.

{Tape : 1; Side : A; Approx. Time: 10:29}

Don Waldron, Montana Rural Education Association, and County Superintendents Association.

Provided the secretary with his notes **EXHIBIT(sts20a02)**. He stated that the March election date is too early and that an April election date would be better. He would like the committee to re-examine Section 94, the elementary transfer of territory. Also, he directed attention to Section 95, joint high school districts, and added that only the required tax measure should be voted on not the transfer itself. He pointed out another conflict with transfer of territory in Section 100.

{Tape : 1; Side : A; Approx. Time: 10:33}

Lance Melton, General Council, Montana School Boards Association introduced **EXHIBIT(sts20a03)**, which include his concerns with **SB 228**. He pointed out some suggested amendments in Section 90 and Section 103. He explained that in Section 90, district

consolidation, the tax measures need to be clearly identified as tax measures that are required because of the proposition. Also, in Section 103, he said that voters need to know what the school district is asking for in relation to what that district approved in a prior year. He added, if the voters approve the increase in the budget for the school district, the tax increase necessary carry out the budget should automatically be approved. He addressed the time line of elections as well. Currently, budget authority elections ask for the voters to approve a particular budget in the following August. The voters give the approval in April, not knowing what the tax valuation will be July 1st, and not knowing what the legislature committed to funding. Then the following September the county assesses those mills without a vote. He explained the budget authority vote under current law, the dates that work for a budget authority, and the timing needed for a tax election increase under CI-75. He also explained that taxable valuation is not in place at this time. He said that the assessment of mills without a vote, should be addressed by the committee.

Robert Throssell, Montana Association of Clerks and Recorders, explained that once the election dates are determined, then the election administrators can start planning the election. He also addressed some of the problems that arise in Section 23, requiring that each levy must be on a separate ballot. He is concerned that there may be a series of levy questions in a particular taxing jurisdiction and this could cause problems if a separate ballot is used for each levy. He appreciates that each jurisdiction must share in the costs of the election but the bill deletes the services of the election administrator. He added that a large part of the administrator's time will be dealing with meeting the costs of the election. In Section 70, a deputy administrator may not be appointed for a tax election. He explained that this seems to accomplish making one person responsible for the tax elections, but each county handles the administration duties in a different way and the counties need flexibility in conducting the election.

{Tape : 1; Side : A; Approx. Time: 10:47; Comments : Tape over}

Mike Atkins, Attorney, Department of Revenue. His main concern is that tax elections can be held in conjunction with primary or general elections. The Department may not have sufficient time to provide certified valuations of property for the primary election dates.

{Tape : 1; Side : B; Approx. Time Counter : 10:49}

Questions from Committee Members and Responses:

SEN. JON TESTOR asked **Mike Atkins** how much time is needed to complete the valuations. **Mike Atkins** did not have that information but **Madalyn Quinlan** informed the committee that the current deadline is July 10th.

SEN. DON HARGROVE asked if a group, facilitated by the Secretary of State's Office, representing all people vitally interested in the bill, would be willing to meet and come up with specific recommendations. **Joe Kerwin, Deputy of Elections and Legislative Bureau, Secretary of State**, answered that he would facilitate the group but wanted the committee to set the date of the primary or annual elections. **Maralyn Quinlan** added that the schools have two important dates that determine when the elections are held. One is the deadline for teacher contracts, that need to be renewed by June 1st, and the other is when the Department of Revenue can get taxable valuations to the schools and other local governments. **Don Waldron** also volunteered to help put together the group if the dates were set by the committee. **SEN. HARGROVE** asked **Mr. Atkins** if there was any flexibility concerning the dates and the Department of Revenue. Mr. Atkins referred him to Larry Finch with the Department of Revenue, whom he would have to contact later.

{Tape : 1; Side : B; Approx. Time: 10:55}

SEN. JACK WELLS asked **SEN. GLASER** how he arrived at the election date in March. **SEN. GLASER** said, if possible, he wanted to have all the elections held on one date. The date in March is the date of the "super" election but this date may not fit everyone's needs as well as an April date.

SEN. WELLS asked if year old valuations would cause a large problem. **Mr. Melton** answered that problems may arise in areas where the tax valuation decreases. In such a case, in order to meet the costs of that value, the tax increase already approved by voters, must be raised.

SEN. COLE asked **Mr. Melton** what effect a tax valuation increase would have. **Mr. Melton** answered that the language in the bill could be changed to accommodate for a tax valuation increase.

SEN. WILSON asked **SEN. GLASER** if he opposed a contingent provision. **SEN. GLASER** said he was neutral on the issue.

SEN. HARGROVE asked **SEN. GLASER** why there was not a Fiscal Note. **SEN. GLASER** answered that the Fiscal Note would change depending on the date of election decided by the committee. He encouraged the committee to establish a date so a grey bill could be

drafted. **Angela Fultz, Chief Deputy, Secretary of State,** responded that the Secretary of State's office found the costs to be indeterminable.

{Tape : 1; Side : B; Approx. Time: 11:11}

SEN. COLE asked **Angela Fultz** how much a single issue election would cost. She answered that the estimated cost to the counties would be \$690,000 dollars and the state costs would be \$47,000 dollars. **SEN. COLE** asked her to expand on the costs of a multiple issue election. She answered that the costs for holding the election that are fixed are the \$690,000 dollar estimate and \$47,000 dollar estimate. The cost that fluctuates is the cost of printing and distributing the voter information packet. The estimated cost for printing the voter information packet is \$.002 cents per page. They assume that there will be 525,000 copies of the packet printed. The estimated cost to counties to distribute a voter information packet 40 pages in length was \$.008 cents.

{Tape : 1; Side : B; Approx. Time: 11:14; Comments : Tape stopped to allow witnesses to clear the room.}

{Tape : 1; Side : B; Approx. Time: 11:19; Comments : Tape started.}

Discussion:

SEN. HARGROVE explained that the presidential primaries are over by the time they get around to the western range states. Consequently, many issues unique to the western states are not addressed. The "super" election allows for these votes to count in the presidential primaries. The educational elections are to be held on the same day to cut the costs.

{Tape : 2; Side : A; Approx. Time: 11:23; Comments : Tape changed.}

SEN. COLE asked **SEN. HARGROVE** if his bill proposed that the presidential primary was also the date to elect other officials and **SEN. HARGROVE** said that it was not. **David Niss, Legislative Division,** added that the Secretary of State's office felt that this needed to change because it was too confusing. **SEN. COLE** asked if the county commissioners and legislators would be in the same primary as the presidential election. **SEN. HARGROVE** answered that this was not the intent of his bill although the committee had the flexibility to combine elections and change dates under **SB 228**. **David Niss, Legislative Division,** added that the only election held with the presidential primary is the

education election. **SEN. HARGROVE** also said that the two elections were combined to cut costs. **SEN. COLE** said that he would like to have one primary election and one general election. **Mr. Niss** informed him that in **SEN. HARGROVE'S** bill, only the school election dates and the dates of the political division or special taxing districts would be changed, not the dates of the primary election and general election.

SEN. HARGROVE said that a contingent provision should be put on **SB 228**. He also said that some policy decisions should be made before the outside group can meet.

SEN. TESTOR asked if the committee could have the tax election on any date as long as the presidential primary election is date specified in March. **SEN. HARGROVE** answered that any elections that could be grouped together would help cut costs and would be a convenience to the people. **SEN. TESTOR** said that in order to have the "super" election, the date indicated would have to remain in place because other states have already agreed to that date.

SEN. WELLS stated they should try to have one primary date, one general election date, and a third date every four years for the "super" primary.

SEN. COLE said it is possible that they would have an annual election because of CI-75 issues. Every 2 years a local primary election would be held and every 4 years a "super" presidential primary would be held. He asked if the election held every 4 years was only for the presidential primary.

SEN. WELLS responded they had the flexibility to lump elections together. The savings objective could be achieved by putting the education election and another primary election date together, but the "super" election date, in March is probably too early.

The committee consensus was that a visual chart was needed to aide in the decision of election dates. Then a group could be facilitated to meet specific needs.

SEN. COLE added that if a date incorporated too many elections or was set too early, the voter turn-out would not be good. Also, if the date was too late it would cut into the teacher contract deadline.

SEN. TESTER clarified that on "super" election years there could be 3 election dates. He also said that the "super" election is estimated at \$188,000 dollars, assuming it will be held with

another election. The cost would go up if it was held on its own. **SEN. HARGROVE** agreed.

ADJOURNMENT

Adjournment: 11:45 A.M.

SEN. MACK COLE, Chairman

KERI BURKHARDT, Secretary

MC/KB

EXHIBIT (sts20aad)